

QP CODE: 19102508



Reg No :

Name :

BCOM DEGREE (CBCS) EXAMINATION, OCTOBER 2019

Fifth Semester

Optional Core - CO5OCT01 - INCOME TAX-I

B.Com Model II Finance & Taxation, B.Com Model III Taxation, B.Com Model I Finance & Taxation

2017 Admission Onwards

70D012F1

Maximum Marks: 80

Time: 3 Hours

Part A

Answer any ten questions.

Each question carries 2 marks.

1. What is CBDT?
2. How to determine the residential status of a company?
3. Give the five heads of income?
4. How far children education allowance is exempt from tax?
5. What is perquisites according to section 17(2)?
6. Explain profit in lieu of salary.
7. What is the treatment for composite rent received ?
8. When can the municipal taxes be deducted?
9. What is cash system of accounting?
10. What is meant by tea development account?
11. What is meant by additional depreciation?
12. What do you mean by deemed profits?

(10×2=20)

Part B

Answer any six questions.

Each question carries 5 marks.

13. Distinguish between total income and gross total income ?
14. Define Assessee



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15. Income tax is charged on the income of the Previous year. Do you full agree with this statement? If not, what are the exemptions?
16. The particulars of income of Mr. Naresh who is resident and not ordinarily resident for the Assessment Year 2019-20 are given below. Compute his Gross Total Income.
- i. Profit from business in USA, received in India - 1, 50,000
 - ii. Income from house property in USA, deposited there - 60,000
 - iii. Income from agriculture in Srilanka, received in India - 70,000
 - iv. Past untaxed foreign income brought to India during the previous year 2018-19 - 120,000
 - v. Profit from business in UK controlled from India but deposited in a bank account in UK - 50,000
17. Explain the tax treatment of provident funds.
18. What are the exemptions regarding Income From House property?
19. How is vacancy dealt with while computing IFHP?
20. Write a note on deductions expressly disallowed from business.
21. Write the rules for deduction under sec 43.

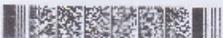
(6×5=30)

Part C

Answer any two questions.

Each question carries 15 marks.

22. State the fully exempted incomes.
23. Mr. Arun is an employee in a public limited company in Madurai. He received following benefits from the company during the year 2018-19
- a) Salary Rs. 7,00,000.
 - b) Bonus Rs. 1,40,000
 - c) Free gas, electricity and water etc (actual bill paid by the company) Rs. 30,000.
 - d) i) Flat at concessional rate (for ten months Rs. 32,000 per month) Rs. 3,20,000.
 - ii) Hotel rent paid by employer (for two months) 80,000.
 - iii) Rent recovered from employee Rs. 50,000
 - iv) Cost of furniture 2,00,000.
 - e) Large car with driver (salary of driver Rs. 5,000 per month).
- Compute income from salary for the Assessment Year 2019-20.
24. Mr. X is the owner of a house at Chennai, particulars in respect of which for the year ended 31 st March, 2019 are as below: 1. Actual Rent received Rs. 4,500 2. Municipal Valuation Rs 4,200 3. Total Municipal tax paid 630 4. Municipal tax paid by Mr. X Rs. 420 5. Municipal tax paid by the tenant Rs 210 6. Interest on Loan is taken for renewing the house Rs 150 7. Unrealised rent allowed





in the Assessment Year 2015-16 recovered during the year Rs.2,000 Compute income from house property.

25. The following is the profit and Loss account of M/s Ravi & Sons for the year ended on 31 st March, 2018. Compute his taxable income from business for that year.

Opening Stock	1,50,000	Sales	18,00,000
Purchase	12,00,000	Closing Stock	2,00,000
Salary	2,00,000	Gift from Father	1,00,000
Rent	60,000	Sale of Car	1,70,000
Repairs of Car	30,000	Income Tax Return	30,000
Wealth Tax	20,000	Medical Expenses	30,000
Depreciation on car	30,000	Advance Income tax paid	10,000
General Expenses	1,00,000	Profit for the year	4,70,000

Additional information:

- a. Mr. Ravi & Sons carries on his business in rental premises, 1/2 of which used as his residence.
- b. Mr. Ravi& Sons bought a car during the year for 2,00,000. He charged 15% depreciation on the value of car. The car was sold during the year for 1,70,000. The use of car was 1/4 for personal purpose.
- c. Medical expenses were incurred during sickness of Mr. Ravi & Sons for his treatment.
- d. Salaries includes 2,500 per month on account of driver's salary for 10 months.

(2×15=30)

